

**CEDS Committee Meeting**  
**21 March 2006**  
**Community Service Building Suite 6**  
**4:00 – 6:00 p.m.**

The meeting started at 4:00 p.m.

The following persons attended: Alain Noghiu, Cathie Field Lloyd, Cecilia Cardoso-Lusardi, Daryl Graham, Debra Jackson Spence, Hanifa Shabazz, Jeff Flynn, Michael Skipper, Peter Besecker, Provey Powel Jr., Raheemah Jabbar-Bey, Rosalind Kotz, Stan Soja, Steven Peuquet.

Committee chairs Bob Weir and Rob Buccini were absent. Steven Peuquet chaired in their absence.

The meeting started with a discussion about future meeting dates in April; participants indicated to avoid 5<sup>th</sup> and 6<sup>th</sup>.

Raheemah Jabbar-Bey gave a summary of the proceedings at the CEDS Forum which was held on February 24<sup>th</sup>.

Steven Peuquet gave an overview of the Wilmington Hope Commission Report that was released last week.

Alain Noghiu gave an overview of EDA funding guidelines.

Steven Peuquet stated that an important goal of the series of three Wilmington CEDS Committee meetings is the identification of what projects should be advanced to the statewide CEDS committee as priority projects for Wilmington. He mentioned that the statewide committee would like the Wilmington Committee to explicitly identify which of its project ideas has the highest priority.

There was discussion that the committee should not feel too constrained by the EDA guidelines and that it should think both “inside and outside of the EDA box.”

Question for discussion:

What should be the goals and objectives of economic development in the Wilmington area?

Dr. Peuquet spoke briefly about the distinction between “goals,” which are general desired outcomes one would like to see in 3 – 5 years, and “objectives,” which are more specific and measurable outcomes things that can be achieved over a shorter and specifically defined period of time.

Question for discussion: What would we like to see in terms of economic development in Wilmington with in the next 5 years?

Comment: What is the core thing that a community needs in order to flourish? Full employment. When that is available, everything else falls into place. Full employment is a starting place. It will generate purchase power, retail etc. What needs to be done is to generate decent jobs for people.

Comment: Tight labor market can also be a problem for big employers who need a lot of people – labor pool may be insufficient. Or small labor pool may raise cost for employer (higher wages), which can be good on the individual level, but may be a barrier on the other hand for businesses.

Comment: How well is Wilmington doing with the labor force? Is the labor force adequately prepared? Depends, what part of the economy are you looking to grow? FIRE sector or other sectors?

Comment: Mentioned 1995 study, which said that FIRE is Wilmington's competitive advantage and should be focused on, but supporting it has led to a divided society. FIRE will take care of itself, focus on the equity issue.

Comment: Forum groups talked about diversifying the economy. There is no good trend analysis. What are future growth industries for Delaware?

Housing development has attracted people to come in for FIRE jobs, but they also need other industries – cultural, shopping etc. Focus more on industries so that people don't go looking for them outside. Stimulate small businesses that are of this nature. There is very little support for these types of businesses.

Comment: 80's focus on attracting people to come to Wilmington area. Now that they are here, what is needed is to create nicer, more attractive environment, café's, flower shops for people to be attracted to the city (nothing to do, nowhere to go for meetings etc.).

Take corridor oriented approach – like little Italy.

Provide more entertainment – hilltop area, kids are bored, which leads to crime and violence. Respond creatively to these problems. For example through mural programs. Focus on young people. Respond to Hope commission ideas, cooperate with faith-based organization, NGO' etc. Housing perspective. There is talk about affordable housing but affordable to whom? We need more of a neighborhood orientation, plants, trees, parks, street activities. Reverse the wealth pyramid. Focus on nursing opportunities for baby-boomers. Develop services for them. Train bi-lingual people.

Comment: New communities, there is nothing in there; people need to go out of their community to have a cup of coffee. Stimulate little businesses in those communities, these will hire local people and stimulate community feeling and a starting point for people.

Comment: There is a perception that Wilmington is responsible for addressing poverty, its Wilmington's problem to solve and not a metropolitan issue. Should this not be addressed on NCC / State level?

Comment: What are the industries that fill the gap?

Small businesses are those that do not require very high education, they pay better, do not need much subsidy, do not need criminal background checks, etc. These small businesses need to be stimulated and capitalized upon. There are no opportunities in Delaware at all for them.

Comment: Need to look at it from regional perspective, not a localized problem.

Correlation between education and unemployment is drastic. There is a need to bridge this gap. Crime statistics suggests that victims and perpetrators are people between 16-24. This is a core segment that needs focus. Resolving this problem would relieve public safety issues, provide the economy with productive people etc. Suggestion; focus on a segment, don't tackle all, focus on youth.

Comment: Correctional institutions are major business which will be impacted. Question – what is everyone's intention/

Comment: For taxpayer, correctional institutions are very expensive, but also profitable for the “service providers”. Preventative approach would be much cheaper. Question – how to turn this around?

Comment: Goal – establish and sustain diverse work environment, in Wilmington and Delaware. It should be diverse. 27% of people have no access to vehicle. There is a need for diverse approach with small, medium and large size businesses.

Comment: Presentations at UDEL last Friday were eye-opener. People are losing their money – pay-day lending industry sucks people's resources away.

Comment: There are resources, but there is a gap – some business need very small amounts to start, but there is no one to provide it. The system makes it too expensive to provide small amounts of seed money. Need for an alternative for “loan sharks”

Comment: There is a need for healthy competition. There is no healthy competition in the city. Does the city have a role in creating this? It should create the opportunity

Comment: Very few resources for small businesses and entrepreneurs. Solutions from forum – look at best practices. What has been done somewhere else?

Comment: Current small businesses definition is 100+ people, but what about 25, 5 person businesses? They are not even on the radar? Where are they going to go for a cash infusion?

Comment: Are there impediments for small businesses?

Comment: Proposal: Establish small business capital fund, specifically with the objective of providing equity. Model where there would be a way to apply for capital that would not have to be paid back for 3-4 years. Apply through existing organization. Problem for banks, leveraging, need some money to start with to apply for loan. New type of businesses are without physical capital, small, one man, behind computer. Hard for banks to finance these type of business. There needs to be seed-capital with oversight, it cannot be a grant.

Comment: Could there not be a geographic focus for development? What is needed is to match and pair physical development with business development. Tie physical development issues with business development. Hard to coordinate such approach but results are better.

Comment: City can provide tax incentives for corridors.

Comment: People are starting up businesses on their own power, though people pooling resources. Difficult to finance from a banking perspective because they operate outside the traditional reporting and control structure

Comment: Small business stimulation efforts, coordinated with existing programs like STAR

Comment: Find balance between flexibility and creativity and “paper-work” and rules.

Comment: Matching grants. Loans do not always work.

Comment: Lets assume small business exist. Will these hire the people we want hired?

Comment: Create vehicle / subsidize that development of work force, develop program of subsidy.

Comment: There were these kind of programs – match work force development with stimulating small businesses.

Comment: Needed two-tracks. Some things need to be dealt with now. Education will take longer.

Comment: Big gap between all the initiatives that are going on. There needs to be a more integrated system that focuses on literacy. Some people cannot read well enough to function in the economy. Problems such as dyslexia, etc. keep people in low wages. Del Tech has programs that mitigates some problems but they are not connected to the economy.

Comment: Another group that needs to be thought of is single mothers and their kids.

Any economic development strategy needs to have quality child care. In terms of lone mothers, there is 10-year research with best practices. Work force development is not city responsibility, it is State responsibility – the State needs to hear about what the city's workforce development needs are.

Comment: Wilmington continues to have high lone mother issue, so it is a problem that will not go away. Break the cycle.

The meeting ended at 6:00 p.m.